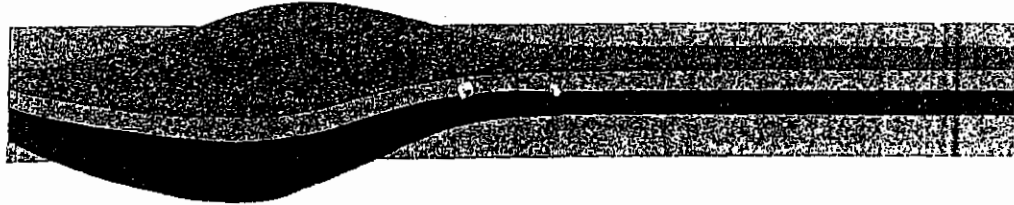


TC



Sverdrup Technology, Inc.

Long Term Disability Income Plan

*90 day E.P. + 30 day E.P.
Part of 90 E.P.
34302*

HARTFORD LIFE AND ACCIDENT INSURANCE COMPANY
Hartford, Connecticut
Endorsement No. 1 Rev.

Policyholder: SVERDRUP TECHNOLOGY, INC.

Group Policy No.: GLT-34302

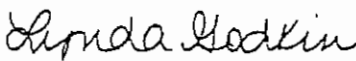
Effective Date: August 12, 1996

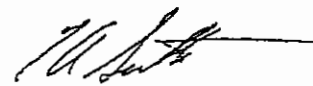
This endorsement forms part of your booklet-certificate which describes the provisions of the group policy specified above.

The section entitled "Eligible Classes" which appears in the Schedule of Insurance is amended to read as follows:

Eligible Class(es):

- | | |
|----------|---|
| Class 1: | All Active Full-time Employees earning \$30,000 or more annually who elect the 90 day Elimination Period, excluding AEDC employees. |
| Class 2: | All Active Full-time Employees earning less than \$30,000 annually who elect the 90 day Elimination Period, excluding AEDC employees. |
| Class 3: | All Active Full-time Employees earning \$30,000 or more annually who elect the 30 day Elimination Period, excluding AEDC employees. |
| Class 4: | All Active Full-time Employees earning less than \$30,000 annually who elect the 30 day Elimination Period, excluding AEDC employees. |


Lynda Godkin, Secretary


Lowndes A. Smith, President

HARTFORD LIFE AND ACCIDENT INSURANCE COMPANY
Hartford, Connecticut.
Endorsement No. 1

Policyholder: SVERDRUP TECHNOLOGY, INC.

Group Policy No.: GLT-34302

Effective Date: February 26, 1996

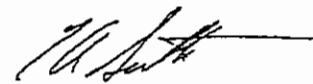
This endorsement forms part of your booklet-certificate which describes the provisions of the group policy specified above.

The section entitled "Eligible Classes" which appears in the Schedule of Insurance is amended to read as follows:

Eligible Class(es):

- | | |
|----------|--|
| Class 1: | All Active Full-time Employees earning \$30,000 or more annually who elect the 90 day Elimination Period, excluding AEDC and TEAS employees. |
| Class 2: | All Active Full-time Employees earning less than \$30,000 annually who elect the 90 day Elimination Period, excluding AEDC and TEAS employees. |
| Class 3: | All Active Full-time Employees earning \$30,000 or more annually who elect the 30 day Elimination Period, excluding AEDC and TEAS employees. |
| Class 4: | All Active Full-time Employees earning less than \$30,000 annually who elect the 30 day Elimination Period, excluding AEDC and TEAS employees. |


Lynda Godkin, Secretary


Lowndes A. Smith, President

HARTFORD LIFE AND ACCIDENT INSURANCE COMPANY
Hartford, Connecticut
Endorsement No. 2

Policyholder: SVERDRUP TECHNOLOGY, INC.

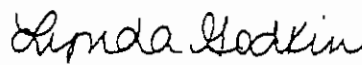
Group Policy No.: GLT-34302

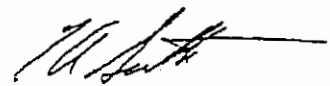
Effective Date: January 1, 1995

This endorsement forms part of your booklet-certificate which describes the provisions of the group policy specified above.

With respect to All Active Full-time Employees, the Definition of Full-time Employment appearing in the Schedule of Insurance of your booklet-certificate is amended to read as follows:

Full-time Employment: 40 hours weekly


Lynda Godkin, Secretary


Lowndes A. Smith, President

HARTFORD LIFE AND ACCIDENT INSURANCE COMPANY
Hartford, Connecticut
Endorsement

Policyholder: SVERDRUP TECHNOLOGY, INC.

Group Policy No.: GLT-34302

Effective Date: January 1, 1995

This endorsement forms part of your booklet-certificate which describes the provisions of the group policy specified above.

The following provision is applicable to residents of Virginia and is included to bring your booklet-certificate into conformity with Virginia state law.

Subrogation

The provision entitled "What are The Hartford's subrogation rights appearing in the General Provisions section of your booklet certificate does not apply to you.

Lynda Godkin
Lynda Godkin, Secretary

L. A. Smith
Lewndes A. Smith, President

HARTFORD LIFE AND ACCIDENT INSURANCE COMPANY
Hartford, Connecticut
Endorsement

Policyholder: SVERDRUP TECHNOLOGY, INC.

Group Policy No.: GLT-34302

Effective Date: January 1, 1995

This endorsement forms part of your booklet-certificate which describes the provisions of the group policy specified above.

The following provision is applicable to residents of California and is included to bring your Booklet-certificate into conformity with California state law.

Notice of Family Care and Medical Leave Act

You may be entitled to continue your coverage for up to 12 weeks during any 12 month period if you are absent from Active Full-time work due to a family care or medical leave of absence under the provisions of the California Family Care and Medical Leave Act. During such period, your coverage may be continued according to a plan established by your employer. Please contact your employer for further information on your right to continued coverage during a family care or medical leave of absence.

Lynda Gudkin
Lynda Gudkin, Secretary

Lowndes A. Smith
Lowndes A. Smith, President

HARTFORD LIFE AND ACCIDENT INSURANCE COMPANY
Hartford, Connecticut
Endorsement

Policyholder: SVERDRUP TECHNOLOGY, INC.

Group Policy No.: GLT-34302

Effective Date: January 1, 1995

This endorsement forms part of your booklet-certificate which describes the provisions of the group policy specified above.

The following provision is applicable to residents of Texas and is included to bring your booklet-certificate into conformity with Texas state law.

IMPORTANT NOTICE

To obtain information or make a Complaint:

You may call The Hartford's toll-free telephone number for information or to make a complaint at:

1-800-752-9713 if about a claim

1-800-428-5711 if not about a claim

You may also write to

The Hartford at:

P.O. Box 2999

Hartford, CT 06104-2999

You may contact the Texas Department of Insurance to obtain information on companies, coverages, rights or complaints at:

1-800-252-3439

AVISO IMPORTANTE

Para Obtener Informacion O Para Someter Una Queja:

Usted puede llamar al numero de telefono gratis de Hartford's para informacion o para de someter una queja al:

1-800-752-9713 acerca de un reclamo

1-800-428-5711 para una queja

Usted tambien puede escribir a

Hartford:

P.O. Box 2999

Hartford, CT 06104-2999

Puede comunicarse con el Departamento de Seguros de Texas para obtener informacion acerca de companias coberturas, derechos o quejas al:

1-800-252-3439

Lynda Goulkin

Lynda Goulkin, Secretary

Lowndes A. Smith

Lowndes A. Smith, President

GR-2025(496)A-HLA 34302(GLT)

(TX)

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GROUP LONG TERM DISABILITY INSURANCE
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HARTFORD LIFE AND ACCIDENT INSURANCE COMPANY
Hartford, Connecticut
(Herein called The Hartford)

CERTIFICATE OF INSURANCE

under

The Group Insurance Policy

as of the Effective Date

Issued by

The Hartford

to

The Policyholder

This is to certify that The Hartford has issued and delivered the Group Insurance Policy to the Policyholder.

The Group Insurance Policy insures the employees of the Policyholder that:

- are eligible for the insurance;
- become insured; and
- continue to be insured;

according to the terms of the Policy.

The terms of the Group Insurance Policy which affect your insurance are contained in the following pages.

This Certificate of Insurance and the following pages will become your Booklet-certificate. This Booklet-certificate is a part of the Group Insurance Policy.

This Booklet-certificate replaces any other that The Hartford may have issued to the Policyholder to give to you under the Group Insurance Policy specified herein.

HARTFORD LIFE AND ACCIDENT INSURANCE COMPANY

Lynda Godkin

Lynda Godkin, Secretary

Lowell A. Smith

Lowell A. Smith, President

SCHEDULE F INSURANCE

The Group Insurance Policy: GLT-34302
The Plan Effective Date: January 1, 1995
The Policyholder: SVERDRUP
TECHNOLOGY, INC.

This plan of Long Term Disability Insurance provides you with income protection if you become disabled from a covered accidental bodily injury, sickness or pregnancy.

You do not contribute towards the plan's cost if you are in Class 1 or 2. You must contribute towards the plan's cost if you are in Class 3 or 4.

Eligible Class(es):

- Class 1: All Active Full-time Employees earning \$30,000 or more annually who elect the 90 Day Elimination Period, excluding AEDC, MSFC and TEAS employees.
- Class 2: All Active Full-time Employees earning less than \$30,000 annually who elect the 90 Day Elimination Period, excluding AEDC, MSFC and TEAS employees.
- Class 3: All Active Full-time Employees earning \$30,000 or more annually who elect the 30 Day Elimination Period, excluding AEDC, MSFC and TEAS employees.
- Class 4: All Active Full-time Employees earning less than \$30,000 annually who elect the 30 Day Elimination Period, excluding AEDC, MSFC and TEAS employees.

Full-time Employment: 30 hours weekly.
Maximum Monthly Benefit: \$12,500
Minimum Monthly Benefit: \$50
Benefit Percentage: 60%

The Eligibility Waiting Period is the number of continuous month(s) of service during which you must be an Active Full-time Employee in a class eligible for insurance before you become eligible for coverage. It is as follows:

- (1) If you are working for the Employer on the Plan Effective Date - None.
- (2) If you start working for the Employer after the Plan Effective Date - The first of the month coinciding with or next following one month.

The Elimination Period is the period of time you must be Disabled before benefits become payable. With respect to Class 1 and 2, it is the first 90 consecutive days of any one period of Disability; with respect to Class 3 and 4, it is the first 30 consecutive days of any one period of Disability.

MAXIMUM DURATION OF BENEFITS TABLE

Age When Disabled	Benefits Payable
Prior to Age 62	To Age 65
Age 62	48 months
Age 63	42 months
Age 64	36 months
Age 65	30 months
Age 66	27 months
Age 67	24 months
Age 68	21 months
Age 69 and over	18 months

The above table shows the maximum duration for which benefits may be paid. All other limitations of the plan will apply.

If you are eligible for benefits for a Disability under a prior long term disability plan that:

- (1) was sponsored by the Employer; and
- (2) was terminated on the day before the Effective Date of this plan,

no benefits will be payable for the Disability under this plan.

DEFINITIONS

The terms listed, if used, will have these meanings.

Actively at Work

You will be considered to be actively at work with your Employer on a day which is one of your Employer's scheduled work days if you are performing, in the usual way, all of the regular duties of your job on a full time basis on that day. You will be deemed to be actively at work on a day which is not one of your Employer's scheduled work days only if you were actively at work on the preceding scheduled work day.

Active Full-time Employee means an employee who works for the Employer on a regular basis in the usual course of the Employer's business. The employee must work the number of hours in the Employer's normal work week. This must be at least the number of hours indicated in the Schedule of Insurance.

Current Monthly Earnings means the monthly earnings you receive from any employer or for any work, while Disabled and eligible for Residual Disability benefits under this plan.

Disabled or Disability means either Totally or Residually Disabled, or Total or Residual Disability.

Employer means the Policyholder.

Indexed Pre-disability Earnings when used in this policy means your Pre-disability Earnings adjusted annually by adding the lesser of:

- (1) 10%; or
- (2) the percentage change in the Consumer Price Index (CPI-W).

The adjustment is made January 1st each year after you have been Disabled for 12 consecutive months, and if you are receiving benefits at the time the adjustment is made.

The term Consumer Price Index (CPI-W) means the index for Urban Wage Earners and Clerical Workers published by the United States Department of Labor. It measures on a periodic (usually monthly) basis the change in the cost of typical urban wage earners' and clerical workers' purchase of certain goods and services. If the index is discontinued or changed, we may use another nationally published index that is comparable to the CPI-W.

For the purposes of this benefit, the percentage change in the CPI-W means the difference between the current year's CPI-W as of July 31, and the prior year's CPI-W as of July 31, divided by the prior year's CPI-W.

Monthly Benefit means a monthly sum payable to you while you are Disabled, subject to the terms of the Group Insurance Policy.

Monthly Rate of Basic Earnings means your regular monthly pay, from the Employer, not counting:

- (1) commissions;
- (2) bonuses;
- (3) overtime pay; or
- (4) any other fringe benefit or extra compensation.

If you become Disabled, your Monthly Rate of Basic Earnings will be the rate in effect on your last day as an Active Full-time Employee before becoming Disabled.

Your Monthly Rate of Basic Earnings will be updated on the first of each month.

Other Income Benefits mean the amount of any benefit for loss of income, provided to you or to your family, as a result of the period of Disability for which you are claiming benefits under this plan. This includes any such benefits for which you or your family are eligible or that are paid to you, to your family, or to a third party on your behalf, pursuant to any:

- (1) temporary or permanent disability benefits under a Workers' Compensation Law, occupational disease law, or similar law;
- (2) governmental law or program that provides disability or unemployment benefits as a result of your job with the Employer;
- (3) plan or arrangement of coverage, whether insured or not, as a result of employment by or association with the Employer or as a result of membership in or association with any group, association, union or other organization;
- (4) individual insurance policy where the premium is wholly or partially paid by the Employer;
- (5) "no-fault" automobile insurance plan;
- (6) disability benefits under the United States Social Security Act, the Canada Pension Plan, the Quebec Pension Plan, or similar plan or act that you, your spouse and children are eligible to receive because of your Disability.

Other Income Benefits also mean any such payments that are made to you, your family, or to a third party on your behalf, pursuant to any:

- (1) disability benefit under the Employer's Retirement Plan;
- (2) portion of a settlement or judgment, minus associated costs, of a lawsuit that represents or compensates for your loss of earnings;
- (3) retirement benefit from a Retirement Plan that is wholly or partially funded by employer contributions, unless:
 - (a) you were receiving it prior to becoming Disabled; or
 - (b) you immediately transfer the payment to another plan qualified by the United States Internal Revenue Service for the funding of a future retirement.

Other Income Benefits will not include the portion, if any, such retirement benefit that was funded by your after-tax contributions;

- (4) retirement benefits under the United States Social Security Act, the Canada Pension Plan, the Quebec Pension Plan, or similar plan or act that you, your spouse and children, receive because of your retirement, unless you were receiving them prior to becoming Disabled.

Additionally, Other Income Benefits will also include sick leave compensation, holiday pay, and/or leave sharing compensation.

If you are paid Other Income Benefits in a lump sum, we will pro-rate the lump sum:

- (1) over the period of time it would have been paid if not paid in a lump sum; or
- (2) if such period of time cannot be determined, over a period of 60 months.

The Hartford may make a retroactive allocation of any retroactive Other Income Benefit payments.

The amount of any increase in benefits paid under any federal or state law will not be included as Other Income Benefits if such increase:

- (1) takes effect after the date benefits become payable under this plan; and
- (2) is a general increase which:
 - (a) is required by law; and
 - (b) applies to all persons who are entitled to such benefits.

required by law to recognize, with is properly medical, and prevent
ing within the scope of that license.

Pre-disability Earnings means your Monthly Rate of Basic Earnings in effect on the day before you became Disabled.

Residual Disability or Residually Disabled means you are prevented by:

- (1) accidental bodily injury;
- (2) sickness;
- (3) mental illness;
- (4) substance abuse; or
- (5) pregnancy,

from performing some, but not all, the essential duties of your or any occupation, and as a result your Current Monthly Earnings are no more than 80% of your Indexed Pre-disability Earnings.

Retirement Plan means a defined benefit or defined contribution plan that provides benefits for your retirement and which is not funded wholly by your contributions. It does not include:

- (1) a profit sharing plan;
- (2) thrift, savings or stock ownership plans;
- (3) a non-qualified deferred compensation plan; or
- (4) an individual retirement account (IRA), a tax sheltered annuity (TSA) or 401(k) plan.

WITH RESPECT TO CLASS 1 AND 3:

Total Disability or Totally Disabled means that you are prevented by:

- (a) accidental bodily injury;
- (b) sickness;
- (c) mental illness;
- (d) substance abuse; or
- (e) pregnancy,

from performing the essential duties of your occupation, unless engaged in a program of Rehabilitative Employment approved by us.

Your failure to pass a physical examination required to maintain a license to perform the duties of your occupation does not alone mean that you are Totally Disabled.

Total Disability or Totally Disabled means that

- (1) during the Elimination Period; and
- (2) for the next 24 months, you are prevented by:

- (a) accidental bodily injury;
- (b) sickness;
- (c) mental illness;
- (d) substance abuse; or
- (e) pregnancy,

from performing the essential duties of your occupation, unless engaged in a program of Rehabilitative Employment approved by us.

After that, you must be so prevented from performing the essential duties of any occupation for which you are qualified by education, training, or experience.

Your failure to pass a physical examination required to maintain a license to perform the duties of your occupation does not alone mean that you are Totally Disabled.

WITH RESPECT TO ACTIVE FULL-TIME EMPLOYEES EMPLOYED AS AIRPLANE PILOTS, CO-PILOTS AND CREW MEMBERS, THE FOLLOWING DEFINITION WILL APPLY:

Total Disability or Totally Disabled means that you are prevented by:

- (a) accidental bodily injury;
- (b) sickness;
- (c) mental illness;
- (d) substance abuse; or
- (e) pregnancy,

from performing the essential duties of any occupation for which you are qualified by education, training, or experience.

The loss of your pilot's license for any reason does not alone mean that you are Totally Disabled.

We or Us means the Hartford Life and Accident Insurance Company.

You means the Insured Person to whom this Booklet-certificate is issued.

ELIGIBILITY AND ENROLLMENT

Who are Eligible Persons?

All persons in the class or classes shown in the Schedule of Insurance will be considered Eligible Persons.

When will you become eligible?

You will become eligible for coverage on either:

- (1) the Plan Effective Date, if you have completed the Eligibility Waiting Period; or if not
- (2) the date on which you complete the Eligibility Waiting Period.

See the Schedule of Insurance for the Eligibility Waiting Period.

How do you enroll?

To enroll for this plan, you must:

- (1) complete and sign a group Insurance enrollment form which is satisfactory to us; and
- (2) deliver it to the Employer.

If you do not enroll within 31 days after becoming eligible, you must submit Evidence of Insurability satisfactory to us.

What is Evidence of Insurability?

If you are required to submit Evidence of Insurability, you must:

- (1) complete and sign a health and medical history form provided by us;
- (2) submit to a medical examination, if requested;
- (3) provide any additional information and attending physicians' statements that we may require; and
- (4) furnish all such evidence at your own expense. We will then determine if you are insurable under the plan.

WHEN COVERAGE STARTS

When does your coverage start?

If you must contribute towards the plan's cost, your coverage will start on the date determined below:

- (1) the date you become eligible, if you enroll or have enrolled by then;

- (2) the date on which you enroll, if you do so within 31 days after the date you are eligible; or
- (3) the date The Hartford approves your Evidence of Insurability, if you are required to submit Evidence of Insurability.

DEFERRED EFFECTIVE DATE

When will coverage become effective if a disabling condition causes you to be absent from work on the date it is to start?

If you are absent from work due to:

- (1) accidental bodily injury;
- (2) sickness;
- (3) pregnancy;
- (4) mental illness; or
- (5) substance abuse,

on the date your insurance or increase in coverage would otherwise have become effective, your effective date will be deferred. Your insurance, or increase in coverage will not become effective until you are Actively at Work for one full day.

CHANGES IN COVERAGE

Do coverage amounts change if there is a change in your class or your rate of pay?

Your coverage may increase or decrease on the date there is a change in your class or Monthly Rate of Basic Earnings. However, no increase in coverage will be effective unless on that date you:

- (1) are an Active Full-time Employee; and
- (2) are not absent from work due to being Disabled.

If you were so absent from work, the effective date of such increase will be deferred until you are Actively at Work for one full day.

No change in your Rate of Basic Earnings will become effective until the date The Hartford receives notice of the change.

What happens if the Employer changes the Plan?

Any increase or decrease in coverage because of a change in the Schedule of Insurance will become effective on the date of the change, subject to the following limitations on an increase:

- (1) the Deferred Effective Date provision; and
- (2) Pre-existing Conditions Limitations.

EXCLUSIONS AND LIMITATIONS**EXCLUSIONS****What Disabilities are not covered?**

The Plan does not cover, and no benefit will be payable for, any Disability that:

- (1) is caused by your commission of, or attempt to commit, a felony;
- (2) is due to war or an act of war (declared or not); or
- (3) is caused by intentionally self-inflicted injuries.

PRE-EXISTING CONDITIONS LIMITATIONS**Are there any other limitations on coverage?**

No benefit will be payable under the Plan for any Disability that is due to, contributed to by, or results from a Pre-existing Condition, unless such Disability begins:

- (1) after the last day of 90 consecutive days while insured during which you receive no medical care for the Pre-existing Condition; or
- (2) after the last day of 365 consecutive days during which you have been continuously insured under this Plan.

Pre-existing Condition means:

- (1) any accidental bodily injury, sickness, mental illness, pregnancy, or episode of substance abuse; or
- (2) any manifestations, symptoms, findings, or aggravations related to or resulting from such accidental bodily injury, sickness, mental illness, pregnancy, or substance abuse;

for which you received Medical Care during the 90 day period that ends the day before:

- (1) your effective date of coverage; or
- (2) the effective date of a Change in Coverage.

Complications of Pregnancy will be Pre-existing Conditions only if Medical Care is received for such complications during the 90 day period that ends the day before your effective date of coverage, or the effective date of a change of coverage.

Complications of Pregnancy include:

- (1) Conditions requiring Hospital Confinement, when pregnancy is not terminated, whose diagnoses are distinct from pregnancy, but are adversely affected by pregnancy, or caused by pregnancy, such as:
 - (a) acute nephritis, and nephrosis;
 - (b) cardiac decompensation;
 - (c) missed abortion; andsimilar medical or surgical conditions of comparable severity, and
- (2) non-elective cesarean section, ectopic pregnancy which is terminated, and spontaneous termination of pregnancy, which occurs during a period of gestation in which a viable birth is not possible.

For the purpose of this Pre-existing Conditions Limitation, Complications of Pregnancy shall not include:

- (1) false labor;
- (2) physician prescribed rest during the pregnancy,
- (3) hyperemesis gravidarum, and

similar conditions associated with the management of a difficult pregnancy not constituting a nosologically distinct complication of pregnancy.

Medical Care is received when:

- (1) a Physician is consulted or medical advice is given; or
- (2) treatment is recommended, prescribed by, or received from a Physician.

Treatment includes but is not limited to:

- (1) Medical examinations, tests, attendance or observation;
- (2) use of drugs, medicines, medical services, supplies or equipment.

Is there continuity of coverage from a Prior Plan?

If you become insured under the Group Insurance Policy on the Plan Effective Date and were covered under the Prior Plan on the day before the Plan Effective Date, The Pre-existing Conditions Limitation will cease to apply on the first to occur of the following dates:

- (1) the Policy Effective Date, if your coverage for the Disability was not limited by a pre-existing condition restriction under the Prior Plan; or

- (2) if your coverage was limited by a pre-existing condition restriction under the Prior Plan, the date the restriction would have ceased to apply had the Prior Plan remained in force.

If you received Monthly Benefits for Disability under the Prior Plan, and:

- (1) you returned to work as an Active Full-time employee before the Effective Date of this Plan, and
- (2) within 6 months of the return to work, you have a recurrence of the same Disability under this Plan; and
- (3) there are no benefits available for the recurrence under the Prior Plan;

the Elimination Period of this plan, which would otherwise apply to the recurrence, will be waived if the recurrence would have been covered without any further Elimination Period under the Prior Plan had it remained in force.

Prior Plan means the long term disability insurance carried by the Policyholder on the day before the Plan Effective Date.

What is the Monthly Benefit for a Disability caused by such Pre-existing Condition?

The amount of the Monthly Benefit payable for a Pre-existing Condition in accordance with the previous paragraph will be the lesser of:

- (1) the Monthly Benefit which was paid by the Prior Plan; or
- (2) the Monthly Benefit provided by this Plan.

No payment shall be made after the earlier to occur of:

- (1) the date payments would have ceased under the Prior Plan; or
- (2) the date payments cease under this Plan.

TERMINATION

When does your coverage terminate?

You will cease to be covered on the earliest to occur of the following dates:

- (1) the date the Group Insurance Policy terminates;
- (2) the date the Group Insurance Policy no longer insures you class;
- (3) the date premium payment is due but not paid by the Employer;

- (4) the last day of the period which you make any required premium contribution, if you fail to make any further required contribution;
- (5) the date you cease to be an Active Full-time Employee in an eligible class including:
 - (a) temporary layoff;
 - (b) leave of absence; or
 - (c) a general work stoppage (including a strike or lockout).

Does your coverage continue if your employment terminates because you are Disabled?

If you are Disabled and you cease to be an Active Full-time Employee, your insurance will be continued:

- (1) during the Elimination Period while you remain Disabled by the same Disability; and
- (2) after the Elimination Period for as long as you are entitled to benefits under the Policy.

Must premiums be paid during a Disability?

No premium will be due for you:

- (1) after the date we receive your written Notice of Claim; and
- (2) for as long as you are Disabled.

Do benefits continue if the plan terminates?

If you are entitled to benefits while Disabled and the Group Insurance Policy terminates, benefits:

- (1) will continue as long as you remain Disabled by the same Disability; but
- (2) will not be provided beyond the date we would have ceased to pay benefits had the insurance remained in force.

Termination of the Group Insurance Policy for any reason will have no effect on The Hartford's liability under this provision.

CONVERSION PRIVILEGE

Under what conditions can your Long Term Disability Coverage be converted to another plan?

If your insurance terminates because:

- (1) your employment ends for reason other than your retirement; or
- (2) you are no longer in an eligible class;

and if:

- (1) you have been continuously insured for at least 12 consecutive months under this plan or under this plan and the Prior Plan; and
- (2) you are under the Limiting Age, if any is shown in the Schedule of Insurance; and
- (3) a Disability is not preventing you from performing duties of your occupation; and
- (4) the insurance for your class, or the plan has not terminated; and
- (5) you are not eligible for coverage under the plan under another class; and
- (6) you are not eligible or covered for similar benefits under another group plan or an individual policy;

then you are eligible to enroll for personal insurance under another group policy called the Group Long Term Disability Conversion Policy.

Prior Plan, as used above, means the plan of group long term disability insurance that was provided or sponsored by the Policyholder and terminated on the day before the Plan Effective Date.

How to convert

To obtain coverage under the Group Long Term Disability Conversion Policy, the following must be done within 31 days of the termination of group insurance:

- (1) a written enrollment request must be made to The Hartford; and
- (2) the required premium and enrollment fee for the conversion policy must be paid.

If the preceding conditions are met, The Hartford will issue to you a certificate of insurance under the Group Long Term Disability Conversion Policy. Such coverage will:

- (1) be issued without medical evidence of insurability; and
- (2) be on one of the forms then being issued by The Hartford for conversion purposes; and
- (3) be effective on the day following the date your insurance under this plan terminates.

The coverage available under the conversion policy may differ from this plan. The terms of the Group Long Term Disability Conversion Policy, including:

- (1) the type and amount of coverage provided; and
- (2) the premium payable,

will be determined by the kind of insurance being provided by the Group Long Term Disability Conversion Policy at the time such enrollment request is made.

DISABILITY BENEFITS

When do benefits become payable?

You will be paid a monthly benefit if:

- (1) you become Disabled while insured under this plan;
- (2) you are Disabled throughout the Elimination Period;
- (3) you remain Disabled beyond the Elimination Period;
- (4) you are under the regular care of a Physician, other than yourself; and
- (5) you submit proof of loss satisfactory to The Hartford.

Benefits accrue as of the first day after the Elimination Period and are paid monthly.

When will benefit payments cease?

The Hartford will cease benefit payment on the first to occur of:

- (1) the date you are no longer Disabled;
- (2) the date you fail to furnish proof, when requested by us, that you continue to be Disabled;
- (3) the date you refuse to be examined by a Physician, if we require such an examination;
- (4) the date you die;
- (5) the date determined from the Maximum Duration of Benefits Table shown in the Schedule of Insurance; or
- (6) the date your Current Monthly Earnings exceed 80% of your Indexed Pre-disability Earnings.

MENTAL ILLNESS AND SUBSTANCE ABUSE BENEFITS

Are benefits limited for Mental Illness or substance abuse?

If you are Disabled because of:

- (1) Mental Illness that results from any cause;
- (2) any condition that may result from Mental Illness;
- (3) alcoholism; or
- (4) the non-medical use of narcotics, sedatives, stimulants, hallucinogens, or any other such substance,

then, subject to all other Policy provisions, benefits will be payable:

(1) only so long as you are confined in a hospital or place licensed to provide medical care for the disability condition; or

(2) when you are not so confined, a total of 24 months such Disabilities during your lifetime.

Mental Illness means any psychological, behavioral or emotional disorder or ailment of the mind, including physical manifestations of psychological, behavioral or emotional disorders, but excluding demonstrable, structural brain damage.

RECURRENT DISABILITY

What happens if you return to work but become Disabled again?

Attempts to return to work as an Active Full-time Employee during the Elimination Period will not interrupt the Elimination Period, subject to the limitation that only 15 such return-days are allowed.

Any day you were Actively at Work will not count toward the Elimination Period.

After the Elimination Period, when a return to work as an Active Full-time Employee is followed by a recurrent Disability, and the Disability is:

- (1) due to the same cause; or
- (2) due to a related cause; and
- (3) within 6 month(s) of the return to work,

the Period of Disability prior to your return to work and the recurrent Disability will be considered one Period of Disability, provided the Group Insurance Policy remains in force.

If you return to work as an Active Full-time Employee for 6 months or more, any recurrence of a Disability due to a different or unrelated cause, will be treated as a new Disability. A new Disability is subject to a new Elimination Period and a new Maximum Duration of Benefits.

The term "Period of Disability" as used in this provision means the continuous length of time during which you are Disabled under the plan.

The Elimination Period and Maximum Duration of Benefits Table are in the Schedule of Insurance.

CALCULATION OF MONTHLY BENEFIT**How are benefits calculated for Total Disability?**

If you are Disabled after the Elimination Period, your Monthly Benefits will be calculated as follows:

- (1) Multiply your Monthly Rate of Basic Earnings by the Benefit Percentage shown in the Schedule of Insurance;
- (2) Identify the Maximum Benefit shown in the Schedule of Insurance;
- (3) Compare the amounts determined in items (1) and (2) above; and from the lesser amount subtract all Other Income Benefits; the result is your Monthly Benefit.

RETURN TO WORK INCENTIVE**How are benefits calculated if you return to limited duties before the Elimination Period ends?**

For Residual Disability, your Monthly Benefit for the 12 month period following the end of the Elimination Period will be calculated as follows:

- (1) Determine the Monthly Benefit that would be paid if Totally Disabled and add to it the amount of any Current Monthly Earnings;
- (2) if the sum from above exceeds your level of Pre-disability Earnings, determine the amount of the excess by subtracting your Pre-disability Earnings from the sum;
- (3) your Monthly Benefit will be the Monthly Benefit that would be paid if Totally Disabled minus the amount of the excess determined in item (2) above.

During this 12 month period, the sum of your Monthly Benefit and your Current Monthly Earnings may provide an amount up to 100% of your Pre-disability Earnings.

How are benefits calculated after the 12th Monthly Benefit has been paid?

After you have received a Monthly Benefit for a 12 month period, and you continue to be Residually Disabled, the following calculation is used to determine your Monthly Benefit:

$$\text{Monthly Benefit} = ((A - B) / A) \times C$$

Where

A = Your Indexed Pre-disability Earnings.

B = Your Current Monthly Earnings.

C = The Monthly Benefit payable if you were Totally Disabled.

Your Monthly Benefit, however, will not be less than the Minimum Monthly Benefit shown in the Schedule of Insurance.

How is the benefit calculated for a period of less than a month? If a Monthly Benefit is payable for less than a month, The Hartford will pay 1/30 of the Monthly Benefit for each day you were Disabled.

VOCATIONAL REHABILITATION/ REHABILITATIVE EMPLOYMENT

What is Vocational Rehabilitation?

Vocational Rehabilitation means employment or services that prepare you, if Disabled, to resume gainful work.

The Hartford's Vocational Rehabilitative Services include, when appropriate, any necessary and feasible:

- (1) vocational testing;
- (2) vocational training;
- (3) work-place modification;
- (4) prosthesis; or
- (5) job placement.

Rehabilitative Employment means employment that is part of a program of Vocational Rehabilitation. Any program of Rehabilitative Employment must be approved, in writing, by The Hartford.

Do earnings from Rehabilitative Employment affect the Monthly Benefit?

If you are Disabled and are engaged in an approved program of Rehabilitative Employment, your Monthly Benefit will be:

- (1) the amount calculated for Total Disability; but
- (2) reduced by 50% of the income received from each month of such Rehabilitative Employment.

The sum of your Monthly Benefit and total income received under this provision may not exceed 100% of your Indexed Pre-disability Earnings. If this sum exceeds your Indexed Pre-disability Earnings, the Monthly Benefit paid by The Hartford will be reduced proportionately.

SURVIVOR INCOME BENEFIT

Will your survivors receive a benefit if you should die while receiving Disability Benefits?

If you die while receiving benefits under this Plan, a Survivor Benefit will be payable to:

- (1) your surviving Spouse; or
- (2) your surviving Child(ren), in equal shares, if there is no surviving Spouse; or
- (3) your estate, if there is no surviving Spouse or Child.

If a minor Child is entitled to benefits, it is The Hartford's option to make benefit payments to the person caring for and supporting the Child until a legal guardian is appointed.

The Benefit is one payment of an amount that is 3 times the lesser of:

- (1) your Monthly Rate of Basic Earnings multiplied by the Benefit Percentage; or
- (2) the Maximum Monthly Benefit shown in the Schedule of Insurance.

The following terms apply to this Benefit:

- (1) "Spouse" means your wife or husband who:
 - (a) is mentally competent; and
 - (b) was not legally separated from you at the time of your death.
- (2) "Child" means your son or daughter under age 25 who is dependent on you for financial support.

GENERAL PROVISIONS

What happens if facts are misstated?

If material facts about you were not stated accurately:

- (1) your premium may be adjusted; and
- (2) the true facts will be used to determine if, and for what amount, coverage should have been in force.

No statement made by you relating to your insurability will be used to contest the insurance for which the statement was made after the insurance has been in force for two years during your lifetime. In order to be used, the statement must be in writing and signed by you.

When should we be notified of a claim?

You must give The Hartford written notice of a claim within 30 days after Disability starts. If notice cannot be given within that time, it must be given as soon as possible. Such notice must include your name, your address and the Group Insurance Policy number.

Are special forms required to file a claim?

When The Hartford receives a Notice of Claim, you will be sent forms for providing us with Proof of Loss. We will send these forms within 15 days after receiving a Notice of Claim. If we do not send the forms within 15 days, you may submit any other written proof which fully describes the nature and extent of your claim.

When must proof of a Disability be given?

Written proof of loss must be sent to The Hartford within 90 days after the start of the period for which The Hartford owes payment. After that, we may require further written proof that you are still Disabled. If proof is not given by the time it is due, it will not affect the claim if:

- (1) it was not possible to give proof within the required time; and
- (2) proof is given as soon as possible; but
- (3) not later than 1 year after it is due, unless you are not legally competent.

The Hartford has the right to require, as part of the proof of loss:

- (1) your signed statement identifying all Other Income Benefits; and
- (2) proof satisfactory to The Hartford that you and your dependents have duly applied for all Other Income Benefits which are available.

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After submitting proof of loss, you will be required to apply for Social Security disability benefits. If the Social Security Administration denies your eligibility for any such benefits, you will be required to follow the process established by the Social Security Administration to reconsider the denial and, if denied again, to request a hearing before an Administrative Law Judge of the Office of Hearing and Appeals.

The Hartford reserves the right to determine if your proof of loss is satisfactory.

You will not be required to claim any retirement benefits which you may only get on a reduced basis.

What additional proof of Disability is The Hartford entitled to?
The Hartford may have you examined to determine if you are Disabled. Any such examination will be:

- (1) at The Hartford's expense; and
- (2) as reasonably required by The Hartford.

Who gets the benefit payments?

All payments are payable to you. Any payments owed at your death may be paid to your estate. If any payment is owed to your estate, a person who is a minor or a person who is not legally competent, then The Hartford may pay up to \$1,000 to any of your relatives who is entitled to it in the opinion of The Hartford. Any such payment shall fulfill The Hartford's responsibility for the amount paid.

When are payment checks issued?

If written Proof of Loss is furnished, accrued benefits will be paid at the end of each month that you are Disabled. If payment for a part of a month is due at the end of the claim, it will be paid as soon as written Proof of Loss is received.

What notification will you receive if your claim is denied?

If a claim for benefits is wholly or partly denied, you will be furnished with written notification of the decision. This written decision will:

- (1) give the specific reason(s) for the denial;
- (2) make specific reference to the Policy provisions on which the denial is based;
- (3) provide a description of any additional information necessary to prepare a claim and an explanation of why it is necessary; and
- (4) provide an explanation of the review procedure.

What recourse do you have if your claim is denied?

On any denied claim, you or your representative may appeal to The Hartford for a full and fair review. You may:

- (1) request a review upon written application within 60 days of the claim denial;
- (2) review pertinent documents; and
- (3) submit issues and documents in writing.

A decision will be made by The Hartford no more than 60 days after the receipt of the request, except in special circumstances (such as the need to hold a hearing), but in no case more than 120 days after the request for review is received. The written decision will include specific references to the Policy provisions on which the decision is based.

When can legal action be started?

Legal action cannot be taken against The Hartford:

- (1) sooner than 60 days after due Proof of Loss has been furnished; or
- (2) 3 years after the time written Proof of Loss is required to be furnished according to the terms of the Policy (5 years in Kansas; 6 years in South Carolina).

What are The Hartford's subrogation rights?

If an Insured Person:

- (1) suffers a Disability because of the act or omission of a Third Party; and
- (2) becomes entitled to and is paid benefits under the Group Insurance Policy in compensation for lost wages; and
- (3) does not initiate legal action for the recovery of such benefits from the Third Party in a reasonable period of time;

then The Hartford will be subrogated to any rights the Insured Person may have against the Third Party and may, at its option, bring legal action to recover any payments made by it in connection with the Disability.

Who interprets policy terms and conditions?

The Hartford has full discretion and authority to determine eligibility for benefits and to construe and interpret all terms and provisions of the Group Insurance Policy.

ERISA

The Following Important Notice
Is Provided by Your Employer
for your information Only.

Conforming Instrument

For the purpose of meeting certain requirements of the Employee Retirement Income Security Act of 1974, the following information and the attached Claim Procedures and Statement of ERISA Rights are provided for use with your booklet-certificate to form the Summary Plan Description.

The benefits described in your booklet are provided under a group policy by the Insurance Company and are subject to the terms and conditions of that policy.

A copy of this policy is available for your review during normal working hours in the office of the Plan Administrator.

1. Plan Name

Group Long Term Disability Insurance Benefits for employees of Sverdrup Technology, Inc.

2. Plan Number

505

3. Employer/Plan Sponsor

Sverdrup Technology, Inc.
600 William Northern Blvd.
Tullahoma, TN 37388

4. **Employer Identification Number**
62-0510412

5. **Type of Plan**
Welfare Benefit Plan providing Group Long Term Disability Insurance Benefits.

6. **Plan Administrator**
Same as Employer/Plan Sponsor in Item 3.

7. **Agent for Service of Legal Process**

For the Plan:

Sverdrup Technology, Inc.
600 William Northern Blvd., Tullahoma, TN 37388

For the Policy:

Hartford Life and Accident Insurance Company
Hartford Plaza, Hartford, CT 06115

In addition to the above, Service of Legal Process may be made on a plan trustee or the plan administrator.

8. **Sources of Contributions** — The Employer pays the premium for the insurance, but may allocate part of the cost to the employee. The Employer determines the portion of the cost to be paid by the employee.

9. **Type of Administration** — The plan is administered by the Plan Administrator with benefits provided in accordance with the provisions of the applicable group policy.

10. The Plan and its records are kept on a Policy Year basis.

11. **Labor Organizations**

None.

12. **Names and Addresses of Trustees**

None.

13. **Plan Amendment Procedure**

While Sverdrup Technology, Inc. expects to continue this Employee Welfare Benefit Plan indefinitely, it does reserve the right, at its sole discretion, to terminate, suspend, withdraw, reduce, amend or modify the Plan in whole or in part, at any time:

(a) with 30 days notification to all affected employees;

(b) by authorization of the Sverdrup Technology, Inc. Executive Council or a quorum of the Sverdrup Technology, Inc. Board of Directors.

Sverdrup Technology, Inc. also reserves the right to adjust your share of the cost to continue coverage by the same procedures.

Statement of ERISA Rights

You are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all plan participants shall be entitled to:

- (1) Examine, without charge, at the plan administrator's office and at other locations (worksites and union halls), all plan documents, including insurance contracts, collective bargaining agreements and copies of all documents filed by the plan with the U.S. Department of Labor, such as annual reports and plan descriptions.
- (2) Obtain copies of all plan documents and other plan information upon written request to the plan administrator. The administrator may make a reasonable charge for the copies.
- (3) Receive a summary of the plan's annual financial report. The plan administrator is required by law to furnish each participant with a copy of this summary financial report.

In addition to creating rights for plan participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate your plan, called "fiduciaries" of the plan, have a duty to do so prudently and in the interest of you and other plan participants and beneficiaries. No one, including your employer, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a welfare benefit or exercising your rights under ERISA.

If your claim for a welfare benefit is denied in whole or in part you must receive a written explanation of the reason for the denial. You have the right to have the plan reviewed and reconsider your claim. Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request materials from the plan and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the plan administrator to provide the materials and pay you up to \$100 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator.

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If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or federal court. If it should happen that plan fiduciaries misuse the plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

If you have any questions about your plan, you should contact the plan administrator. If you have any questions about this statement or about your rights under ERISA, you should contact the nearest Area Office of the U.S. Labor Management Services Administration, Department of Labor.

Claim Procedures

1. **Claims for Benefits** — An employee wishing to present a claim for benefits for himself or his insured dependents should obtain claim form or forms from his Employer or Administrator. The applicable section of such form or forms should be completed by (1) Employee, (2) Employer or Administrator and (3) Attending Physician or Hospital.

Following completion, claim form or forms should be forwarded to the individual authorized to process and pay claims (Administrator or Insurance Company's Claim Representative). The individual authorized to process and pay the claims will compute benefits due, and will issue draft(s) in settlement. Unless the employee assigns benefits to a doctor or to a hospital, draft(s) will be made payable to the employee.

A decision will be made by the Insurance Company no more than 90 days after receipt of due proof of loss, except in special circumstances (such as the need to obtain further information), but in no case more than 180 days after the due proof of loss is received. The written decision will include specific reasons for the decision and specific references to the plan provisions on which the decision is based.

2. **Appealing Denial of Claims** — If a claim for benefits is wholly or partially denied, notice of the decision shall be furnished to the employee. This written decision will:
 - (a) give the specific reason or reasons for denial;
 - (b) make specific reference to policy provisions on which the denial is based;

(c) provide a description of any additional information necessary to prepare the claim and an explanation of why it is necessary; and

(d) provide an explanation of the review procedure.

On any denied claim an employee or his representative may appeal to the Insurance Company for a full and fair review. The claimant may:

(a) request a review upon written application within 60 days of receipt of claim denial;

(b) review pertinent documents; and

(c) submit issues and comments in writing.

A decision will be made by the Insurance Company no more than 60 days after receipt of the request for review, except in special circumstances (such as the need to hold a hearing), but in no case more than 120 days after the request for review is received. The written decision will include specific reasons for the decision and specific references to the plan provisions on which the decision is based.

NOTICE OF FAMILY LEAVE ACT OF 1993

This notice is provided for information purposes only. Any questions about this notice should be addressed to your employer.

The Family Medical Leave Act of 1993 is a law directed at employers that requires continuation of certain coverages under certain conditions. Details can be obtained by contacting your employer.

ITT Hartford will cooperate with employers in fulfilling their obligations under this act.

PLEASE CONTACT YOUR EMPLOYER FOR FURTHER INFORMATION ON YOUR RIGHT TO ELECT TO CONTINUE COVERAGE DURING A FAMILY OR MEDICAL LEAVE OF ABSENCE.

The Plan Described in this Booklet
is Insured by the

Hartford Life and Accident Insurance Company
Hartford, Connecticut

Member of The Hartford Insurance Group



Form BC-34302(GLT)

ITT HARTFORD

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